

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Bruce F. Meacham  
**Title:** Group Manager – Service Costs

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-49 Please provide an electronic version of Verizon's non-recurring cost model and all supporting documentation for it.

**REPLY:** Please see the attached file (MA ATT 2-49 Attachment) that contains Verizon MA's non-recurring cost model. The attached file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. Copies are being provided at this time only to AT&T and the Department. A copy will be provided to other parties that have signed the Protective Order upon request.

Also attached is a copy of a file that contains scanned copies of the completed surveys. The attached file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. In addition, this file is voluminous. A copy is being provided at this time only to AT&T and the Department. A copy of this file was previously provided to the Attorney General and the Department, as an attachment to Verizon MA's reply to AG 2-1. A copy will be made available at Verizon MA's offices for review by other parties that have signed the Protective Order upon request.

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Bruce F. Meacham

**Title:** Group Manager – Service Costs

**REQUEST:**

AT&T Communications of New England, Inc., Set #2

**DATED:**

December 22, 2003

**ITEM:** AT&T 2-55

On p. 12 of Verizon's Initial Panel Testimony, Verizon states that "[g]enerally, two outside dispatches will be required for a hot cut on an IDLC-equipped loop[.]" Please confirm that Verizon's new "IDLC surcharge" includes a cost for both of these dispatches and identify where in Verizon's cost study such costs appear.

**REPLY:**

Verizon's new "IDLC surcharge" does not include any cost for dispatches. All costs associated with dispatches are reflected in the Field Installation/Dispatch rates approved by the Department in D.T.E. 01-20. Please see Note 4 on the "Cost Sum" tab in Exhibit III-A-P and Note 5 on the "Cost Sum" tab in Exhibit Supp-III.

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Eugene J. Goldrick  
**Title:** Sr. Staff Consultant – Service  
Costs

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-72 With regard to all surveys Verizon conducted in order to calculate hot costs as described in Section III of its Initial Panel Testimony, please provide copies of all original documents used to construct and administer the surveys. This request specifically refers to and includes

- (a) Any and all workpapers and drafts produced by Verizon and any of its consultants during the process of creating the survey itself,
- (b) Actual survey instruments and any letters, directions and/or instructions that were provided to respondents in connection with the survey instruments, and
- (c) Survey responses.

**REPLY:**

- (a) The new surveys of the NMC, CO Frame, and RCCC were developed from the surveys approved in D.T.E. 01-20. As such, there are no workpapers or drafts that were used to create the new surveys.
- (b) Please see Verizon MA's reply to Conversent 6-22.
- (c) Please see Verizon MA's reply to AT&T 2-49.

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Carleen A. Gray

**Title:** Senior Specialist – Wholesale  
Markets

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-74 Please fully explain all charges that would apply to the following sorts of hot cuts under Verizon's proposed batch hot cut process:

- (a) A hot cut project that includes 50 LSRs, 25 of which have been issued by CLEC A, and 25 of which have been issued by CLEC B. Each LSR has one line. Of the 50 LSRs, one line included in one of CLEC A's LSRs is on an IDLC facility and the other 49 lines are not on an IDLC facility.
- (b) A single batch hot cut project that includes 50 LSRs, 25 of which have been issued by CLEC C, and 25 of which have been issued by CLEC D. The 25 LSRs issued by CLEC C each have one line and the 25 LSRs issued by CLEC D each have two lines. None of the lines are on IDLC facilities.

**REPLY:**

- (a) **CLEC A:**  
IDLC is not part of the Batch Hot Cut process; therefore the one loop on IDLC will be excluded from the Batch Hot Cut pricing below. LSR 1 – the line on IDLC - will be billed the following Basic Hot Cut nonrecurring charges:  
Service Order = \$20.53  
C.O. Wiring - initial = \$37.37  
Provisioning - initial = \$15.88  
Dispatch = \$0.00\*  
IDLC surcharge = \$105.13  
Total LSR 1 = \$178.91  
The remaining CLEC A LSRs (2 – 25) will be billed

the following nonrecurring charges per LSR:

Service Order = \$21.68  
C.O. Wiring - initial = \$27.04  
Provisioning - initial = \$6.68  
Dispatch = \$0.00\*  
Total per LSR = \$55.40  
Total LSRs 2 – 25 = \$55.40 x 24 = \$1,329.60

Total CLEC A = \$178.91 + \$1,329.60 = \$1,508.51

**CLEC B:**

LSRs 26 – 50 will be billed the following nonrecurring charges:

Service Order = \$21.68  
C.O. Wiring - initial = \$27.04  
Provisioning - initial = \$6.68  
Dispatch = \$0.00\*  
Total per LSR = \$55.40  
Total LSRs 1 – 25 = \$55.40 x 25 = \$1,385.00

(b) **CLEC C:**

LSRs 1 – 25 will be billed the following nonrecurring charges per LSR:

Service Order = \$21.68  
C.O. Wiring - initial = \$27.04  
Provisioning - initial = \$6.68  
Dispatch = \$0.00\*  
Total per LSR = \$55.40  
Total CLEC C = \$55.40 x 25 = \$1,385.00

**CLEC D:**

LSRs 1 – 25 will be billed the following nonrecurring charges per LSR:

Service Order = \$21.68  
C.O. Wiring - initial = \$27.04  
Provisioning - initial = \$6.68  
Dispatch - initial = \$0.00  
C. O Wiring - additional = \$27.04  
Provisioning - additional = \$6.73  
Dispatch – additional = \$0.00  
Total per LSR = \$89.17  
Total CLEC D = \$89.17 x 25 = \$2,229.25

\*NOTE: Dispatch charge = \$0.00 per D.T.E. 01-20  
Compliance Order.

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Carleen A. Gray  
**Title:** Senior Specialist – Wholesale Markets

**REQUEST:** AT&T Communications of New England, Inc., Set #2  
**DATED:** December 22, 2003

**ITEM:** AT&T 2-75

Please fully explain all charges that would apply to the following sorts of hot cuts under Verizon's Large Job hot cut process:

- (a) A single hot cut project that includes 50 LSRs. The 50 LSRs are comprised as follow: each LSR has one line; and one line is on an IDLC facility and the other 49 lines are not on an IDLC facility.
- (b) A single hot cut project that includes 50 LSRs. The 50 LSRs are comprised as follows: 25 of the LSRs have one line and 25 LSRs have two lines- none of the lines are on IDLC facilities.

**REPLY:**

- (a) LSR 1 – the line on IDLC - is excluded from the Large Job process and will be handled as a Basic Hot Cut. LSR 1 will be billed the following nonrecurring charges:
  - Service Order = \$20.53
  - C.O. Wiring - initial = \$37.37
  - Provisioning - initial = \$15.88
  - Dispatch = \$0.00\*
  - IDLC surcharge = \$105.13
  - Total LSR 1 = \$178.91

The remaining LSRs (2 - 50) will be billed the following nonrecurring charges per LSR:  
Service Order = \$35.58

C.O. Wiring - initial = \$36.40  
Provisioning - initial = \$7.07  
Dispatch = \$0.00\*  
Total per LSR = \$79.05  
Total LSRs 2 – 49 = \$79.05 x 49 = \$3,873.45

\*NOTE: Dispatch charge = \$0.00 per D.T.E. 01-20  
Compliance Order.

- (b) LSRs 1 – 25 will be billed the following nonrecurring charges per LSR:

Service Order = \$35.58  
C.O. Wiring - initial = \$36.40  
Provisioning - initial = \$7.07  
Dispatch = \$0.00\*  
Total per LSR = \$79.05  
Total LSRs 1 – 25 = \$79.05 x 25 = \$1,976.25

LSRs 26 – 50 will be billed the following nonrecurring charges per LSR:

Service Order = \$35.58  
C.O. Wiring - initial = \$36.40  
Provisioning - initial = \$7.07  
Dispatch – initial = \$0.00\*  
C.O. Wiring - additional = \$32.28  
Provisioning - additional = \$7.12  
Dispatch – additional = \$0.00  
Total per LSR = \$118.45  
Total LSRs 26 – 50 = \$118.45 x 25 = \$2,961.25

\*NOTE: Dispatch charge = \$0.00 per D.T.E. 01-20  
Compliance Order.

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Bruce F. Meacham  
**Title:** Group Manager – Service Costs

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-76 Please provide all collected and uncollected revenues in accounts receivable for FY 2001, FY 2002, and YTD 2003 (i.e. those charges billed to CLECs) from CLECs arising from the performance of hot cuts. Separately list and identify for each such year, total revenues collected and uncollected.

**REPLY:** The information is not available as this information is not tracked separately for CLEC hot cuts.



**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondents:** Eugene J. Goldrick  
Bruce F. Meacham

**Titles:** Sr. Staff Consultant – Service  
Costs  
Group Manager – Service Costs

**REQUEST:**

AT&T Communications of New England, Inc., Set #2

**DATED:**

December 22, 2003

**ITEM:** AT&T 2-78

Please provide all of the source data used to construct Exhibits III-B and III-C to Verizon's Initial Panel Testimony in an electronic form in which the results can be replicated. Regarding Exhibit III-B, please identify each of the responses so they can be cross-referenced to survey response documents and please identify the person or persons responsible for the statistical analysis.

**REPLY:**

**Exhibit III-B-P**

The STATA log file and dataset used to produce the regression results section of Exhibit III-B-P are attached to Verizon-MA's response to AT&T 2-79. The attached file (MA ATT 2-78a Attachment) contains the STATA commands used to calculate remaining sections of Exhibit III-B-P. The attached file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. A copy of this file is being provided at this time only to AT&T and the Department. A copy will be provided to other parties that have signed the Protective Order upon request.

Also attached is a file (MA ATT 2-78b Attachment) that contains the data used to calculate the remaining sections of Exhibit III-B-P. The attached file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. In addition, this attachment is voluminous. A copy of

this file is being provided at this time only to AT&T and the Department. A copy will be made available at Verizon MA's offices for review by other parties that have signed the Protective Order upon request.

The statistical analysis was performed by Mr. Eugene Goldrick.

**Exhibit III-C-P**

Please see the attached file (MA ATT 2-78c Attachment). Unhiding the hidden columns in this worksheet will reveal the General Ledger expenses and productive hours for each Job Function Code that were used to develop the hourly labor rates. The file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. Copies are being provided at this time only to AT&T and the Department. A copy will be provided to other parties that have signed the Protective Order upon request.

**Verizon New England Inc.  
d/b/a Verizon Massachusetts**

**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Bruce Meacham

**Title:** Group Manager – Service Cost

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-79 Regarding the linear regression analysis described on p. 55 of Verizon's Initial Panel Testimony, please provide:

- (a) all documentation and work papers related to the linear regression analysis;
- (b) any and all regression or other statistical analyses conducted in Verizon's effort to determine whether initial lines cost more than subsequent lines, including any model or regression specifications that may have been tested but later rejected;
- (c) the identification of each person who contributed to the regression analysis and explain the role played by each.

**REPLY:**

- (a) Please see the attached file (MA ATT 2-79a Attachment) which contains the database used to estimate the regressions. The attached file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. In addition, this file is voluminous. Copies are being provided at this time only to AT&T and the Department. A copy will be made available at Verizon MA's offices for review by other parties that have signed the Protective Order upon request.

- (b) Please see the attached file (MA ATT 2-79b Attachment) which contains the regression commands and output for the regressions that were estimated. The attached file is proprietary, confidential and competitively sensitive and is being provided in accordance with the terms of the Department's Protective Order. Copies are being provided at this time only to AT&T, the Department and the Attorney General. A copy will be provided to other parties that have signed the Protective Order upon request.
- (c) Mr. Eugene Goldrick estimated the set of regressions, reviewed the regression results, and incorporated three regressions into the estimation of initial and additional work times.

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**Commonwealth of Massachusetts**

**Docket No. 03-60**

**Respondent:** Bruce F. Meacham  
**Title:** Group Manager – Service Costs

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-90 Please describe the entirely new study of the NMC, Central Office Frame, and the RCCC described on p. 10 of Verizon's Supplemental Panel Testimony. What process was used to arrive at the task times used to cost the WPTS system? What role did Verizon's SMEs play in this new study?

**REPLY:** New NMC, Central Office Frame, and RCCC work time data were collected from the Service Representatives and Technicians with experience provisioning hot cuts using WPTS. Verizon's SMEs then determined the Typical Occurrence and Forward Looking Adjustment Factors applicable to the average work times for each work activity.

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**Docket No. 03-60**

**Respondent:** Bruce Meacham

**Title:** Group Manager – Service Costs

**REQUEST:** AT&T Communications of New England, Inc., Set #2

**DATED:** December 22, 2003

**ITEM:** AT&T 2-91 If a survey was conducted to arrive at the task times used to cost the WPTS system, please provide copies of all original documents used to construct and administer the surveys. This request specifically refers to and includes

- (a) Any and all workpapers and drafts produced by Verizon and any of its consultants during the process of creating the survey itself,
- (b) Actual survey instruments and any letters, directions and/or instructions that were provided to respondents in connection with the survey instruments, and
- (c) Survey responses.

**REPLY:** Please see Verizon MA's replies to AT&T 2-49 and 2-72.

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